

## **PROCEEDINGS OF THE BOARD OF ESTIMATE & TAXATION**

The regular meeting of September 11, 2013 held in room 317 of City Hall.

Meeting called to order by President Becker at 4:15 p.m.

Present were: Fine (Robert Fine, Representative of the Park and Recreation Board), Hodges (Betsy Hodges, Chair of the Ways & Means/Budget Committee of the City Council). Johnson (Barbara Johnson, President of the City Council, Becker (Carol J. Becker, Elected Member), Wheeler (David Wheeler, Elected Member).  
Absent; Rybak (R TRybak, Mayor of Minneapolis)

The secretary reviewed the requested to issue Taxable \$7,000,000 General Obligation Various Purpose Park Bonds and the supporting actions:

- A. Park Board letter of March 28, 2013 and resolution 2013-124.
- B. City Council request resolution 2013R-186 of April 26, 2013.

Fine moved the resolution ( below ) , seconded by Wheeler. Following questions and discussion the motion was adopted. Yeas – 5. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Wheeler, Becker - 5. Nays – none.

Relating to and providing for the issuance and sale of bonds of the City of Minneapolis in the amount of \$7,000,000.

### **RESOLVED BY THE BOARD OF ESTIMATE AND TAXATION OF THE CITY OF MINNEAPOLIS**

1. Under and pursuant to the provisions of Sections 9 and 10 of Chapter 15 [Board of Estimate and Taxation] of the Charter of the City of Minneapolis, adopted at an election held on November 2, 1920, as amended (the “Charter”), the Board of Estimate and Taxation of the City of Minneapolis (the “Board”) shall proceed forthwith to issue and sell Taxable General Obligation Various Purpose Park Bonds, Series 2013 (the “Bonds”), of the City of Minneapolis (the “City”), in the original aggregate principal amount of \$7,000,000, the proceeds thereof to be applied to the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities of the Minneapolis Park & Recreation Board (the “Park Board”).

2. Under the terms of Resolution 2013-124 of the Park Board, adopted on February 20, 2013, the Park Board requested that the City Council of the City: (i) approve a request for the issuance of general obligation bonds of the City to finance the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities of the Park Board; and (ii) request that the Board incur indebtedness and issue and sell taxable general obligation bonds of the City for such purposes.

3. Under the terms of Resolution 2013R-186 of the City Council of the City, adopted on April 26, 2013, the City Council of the City requested the Board to incur indebtedness and issue and sell taxable general obligation bonds of the City in the amount of \$7,000,000 the proceeds of which are to be used for the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities of the Park Board. Resolution 2013R-186 further directed that debt service on such bonds will be paid by the Park Board through operational savings, additional revenues generated at the improved facilities, and any other sources as necessary, including property taxes and local government aid, if needed.

4. Costs of issuance with respect to the Bonds are to be paid first from any premium received on the bond sale with any remaining cost to be provided by the Park Board. Board staff is authorized to use the financial advisor designated by the Finance Office of the City for sale administration and American Financial Printing, Inc. to produce the Official Statement and related electronic documents.

5. The Bonds shall mature on December 1 in the years and amounts as follows:

Maturity Date (December 1)	Principal Amount*
2014	\$ 25,000
2015	200,000
2016	200,000
2017	0
2018	250,000
2019	250,000
2020	250,000
2021	900,000
2022	925,000
2023	950,000
2024	975,000
2025	1,025,000
2026	1,050,000

\* subject to adjustment

6. Staff to the Board is authorized to consider competitive proposals for the sale of the Bonds. The terms of the sale shall be as set forth in the Official Terms of Proposal on file with the Executive Secretary. The Executive Secretary shall prepare and distribute an Official Statement and take such other action as may be necessary and appropriate to conduct the sale. The Executive Secretary is authorized to make

adjustments in the sale structure, terms and conditions to include the par amount of the issue based on factors that arise including the size of premium received, if any, and other market factors after consulting with Bond Counsel.

Adopted: September 11, 2013

---

Carol Becker  
President  
Board of Estimate and Taxation

Attest:

---

Jack A. Qvale  
Executive Secretary

Fine moved the resolution ( below ) , seconded by Wheeler. Following questions and discussion the motion was adopted. Yeas – 5. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Wheeler, Becker - 5. Nays – none

**AUTHORIZING THE SALE AND ISSUANCE OF TAXABLE GENERAL OBLIGATION VARIOUS PURPOSE PARK BONDS, SERIES 2013, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,000,000; AND PROVIDING THE FORMS, TERMS, AND FINDINGS, COVENANTS, AND DIRECTIONS RELATING TO THE ISSUANCE OF SUCH OBLIGATIONS**

BE IT RESOLVED By the Board of Estimate and Taxation (the “Board”) of the City of Minneapolis, Minnesota (the “City”) as follows:

Section 1.     Background and Authority.

1.01.   Previous Board Action. Pursuant to a resolution adopted by the Board on the date hereof (the “Authorizing Resolution”), the Board determined to solicit proposals for the purchase of Taxable General Obligation Various Purpose Park Bonds, Series 2013 (the “Bonds”) of the City, in the original aggregate principal amount of \$7,000,000 in accordance with the Official Terms of Proposal on file with the Executive Secretary of the Board and incorporated into an Official Statement to be prepared and distributed with respect to the Bonds. The proceeds of the Bonds will be used to finance the rehabilitation of the Parade Ice Garden and energy upgrades at other Park Board facilities in the City.

1.02.   Authority. The City is authorized to issue the Bonds pursuant to the terms of Minnesota Statutes, Chapter 475, as amended (the “Municipal Debt Act”), and the City Charter.

1.03.   Park Board Request to Issue. Under the terms of Resolution 2013-124, adopted by the Minneapolis Park & Recreation Board (the “Park Board”) on February 20, 2013, the Park Board requested that the City Council of the City: (i) approve a request for the issuance of general obligation bonds of the City to finance the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities of the Park Board; and (ii) request that the Board incur indebtedness and issue and sell taxable general obligation bonds of the City for such purposes.

1.04.   City Council Request to Issue. Under the terms of Resolution 2013R-186 of the City Council of the City, adopted on April 26, 2013, the City Council of the City requested the Board to incur indebtedness and issue and sell taxable general obligation bonds of the City in the amount of \$7,000,000 the proceeds of which are to be used for the rehabilitation of the Parade Ice Garden and energy upgrades at other facilities of the Park Board. Resolution 2013R-186 further directed that debt service on such bonds will be paid by the Park Board through operational savings, additional revenues generated at the improved facilities, and any other sources as necessary, including property taxes and local government aid, if needed.

Section 2.     Issuance of Bonds. In order to finance certain improvements to the municipal park facilities in the City, there is hereby authorized to be issued by the City the Bonds.

Section 3.     Terms and Forms of Taxable Various Purpose Park Bonds.

3.01.   Bond Terms. The Bonds are authorized to be issued in accordance with the terms of this Resolution. The Bonds shall be designated “Taxable General Obligation Various Purpose Park Bonds, Series 2013,” shall be issued in one or more series as the Executive Secretary may determine, and shall be assigned a separate series designation determined by the Executive Secretary for each series issued by the City. Any series of Bonds may be designated such other name or names as determined to be appropriate by the Executive Secretary. The Bonds shall be dated the date of issue, or such other date as the Executive Secretary may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and each series shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar (as hereinafter defined) may determine. The Bonds shall be

issued in the original aggregate principal amount of \$7,000,000, or such greater or lesser amount as the Executive Secretary shall determine to be necessary and appropriate to finance the designated municipal improvements and related costs. The Bonds shall bear interest at the rates per annum approved by the Executive Secretary in connection with the sale thereof, payable semiannually on June 1 and December 1 of each year, or such other dates determined by the Executive Secretary, commencing on June 1, 2014, or such other date determined by the Executive Secretary, from the date of the Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The principal of the Bonds shall mature on such dates and in such principal amounts as shall be determined by the Executive Secretary, consistent with the requirements of Section 475.54, subdivisions 1 and 17 of the Municipal Debt Act (determined, if necessary, by combining such maturities with those of other obligations of the City). The Executive Secretary may determine to designate any portion of the principal of the Bonds to be combined into one or more term bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Executive Secretary. The authorization to issue the Bonds is effective without any additional action by the City Council or the Board and shall be undertaken by the Executive Secretary on such date or dates and upon the terms and conditions deemed reasonable by the Executive Secretary.

The Executive Secretary shall establish a date on and after which all Bonds shall be subject to redemption and prior payment in whole or in part at the option of the City. The redemption price of the Bonds shall be at such redemption prices, with or without premium, as the Executive Secretary shall determine necessary to obtain the lowest interest rates for the Bonds consistent with the finance plan pursuant to which the Bonds are to be issued.

Thirty (30) days prior to any redemption date, notice of any such redemption shall be given by mail to the banks where the Bonds are payable and to the registered owners, in accordance with the terms of the Municipal Debt Act. In the event of a partial redemption by lot of the Bonds, the Bond Registrar (as hereinafter defined) shall assign to each Bond then outstanding a distinctive number for each \$5,000 of the principal amount of such Bonds and shall select by lot in the manner it determines the order of numbers, at \$5,000 for each number, for all outstanding Bonds of the maturity to be redeemed. The order of selection of Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. Upon partial redemption of any Bond, the same shall be surrendered in exchange for one or more new Bonds in authorized form for the unredeemed portion of principal. The method of selecting Bonds for optional redemption may be altered in such manner as the Executive Secretary shall determine to be necessary and appropriate in the interests of the City and the owners of the Bonds.

3.02. Method of Payment; Bond Registrar and Paying Agent. The Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as the initial bond registrar (the "Bond Registrar") and paying agent (the "Paying Agent"), or at the offices of such other successor agents as the City may hereafter designate upon sixty (60) days mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the

direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

3.03. Bond Form. The Bonds shall be in substantially the form set forth in EXHIBIT A attached hereto, with necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest, and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Executive Secretary may determine.

3.04. Registration. As long as any of the Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar an office or agency for the payment of the principal of and interest on such Bonds, as in this Resolution provided, and for the registration and transfer of such Bonds, and shall also keep at said office of the Bond Registrar books for such registration and transfer. Upon surrender for transfer of any Bond at the office of a Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully-registered Bonds of the same series, of any authorized denominations, and of a like aggregate principal amount, interest rate, and maturity. At the option of the registered owner thereof, any Bonds, upon surrender thereof at the office of the Bond Registrar, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Bonds or transferring fully registered Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption, nor be obligated to make any such exchange or transfer of Bonds during the fifteen (15) days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds.

3.05. Record Dates. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner if, after notice given by the City to the Bond Registrar of the proposed payment pursuant to this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange, or substitution.

3.06. Bonds Mutilated, Destroyed, Stolen, or Lost. In case any Bond shall become mutilated or be destroyed, stolen, or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen, or lost in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen, or lost upon filing with the City evidence satisfactory to the City and the Bond Registrar that such Bond has been destroyed, stolen, or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

3.07. Owners. As to any Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name such Bond for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section shall take precedence over the provisions of Sections 3.01 through 3.07 hereof to the extent they are inconsistent therewith.

**(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive for redistribution to the beneficial owners of the Bonds as reflected in their records (the “Beneficial Owners”).**

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section 3.08. While DTC is acting as the securities depository, the Bonds shall be registered in the name of DTC’s nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words “CEDE & CO.” in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of DTC or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds; (ii) the delivery to any DTC Participant or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal and interest on the Bonds to the extent of the sum or sums so paid. So long as the Book-Entry Only System described in this Section 3.08 is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City and the Bond Registrar of written notice from DTC or any other securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the Bond Registrar shall issue, transfer, and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds; or (ii) to make available Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring, or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In



such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer, and exchange printed Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Blanket Letter of Representations from the City to DTC is confirmed and shall apply to the Bonds.

(f) In the event that the Book-Entry Only System established pursuant to this Section 3.08 is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer, and exchange all Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

#### Section 4. Sale, Execution, and Delivery of Bonds and Related Documents.

4.01. Method of Sale. Authority to negotiate the sale and issuance of the Bonds is hereby delegated to the Executive Secretary, in consultation with the Finance Officer of the City, under Section 475.60, subdivision 1, of the Municipal Debt Act; provided that each series of Bonds shall be sold only at a price of not less than ninety-eight and a half percent (98.5%) of the principal amount of such series of Bonds, and the Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or directions as he may deem necessary and expedient, including but not limited to, approval of an Official Statement and of a Continuing Disclosure Certificate. Any unused discount and any unused issuance costs shall be deposited in the Debt Service Account (as established in Section 5.01 hereof) or applied to such other purposes as determined to be appropriate by the Finance Officer.

4.02. Execution and Delivery. The Bonds shall be executed by the manual or facsimile signature of the Finance Officer, the manual or facsimile signature of the president of the Board, and a facsimile of the corporate seal of the City shall be included as set forth in the form of

Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, may be printed on or accompany the delivery of each Bond. When the Bonds have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the Bonds shall be delivered to the purchasers (the "Purchasers") in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said Purchasers thereof shall be a full acquittance; and said Purchasers shall not be bound to see to the application of the purchase money. The Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, who is hereby appointed authenticating agent in accordance with the Municipal Debt Act.

4.03. Official Statement. The Executive Secretary shall cause an Official Statement relating to the Bonds and any appropriate addendums to such Official Statement to be prepared (collectively, the "Official Statement"), and the use thereof by the Purchasers is approved.

4.04. Certificates. If such officer finds the same to be accurate, the Finance Officer is authorized and directed to furnish to the Purchasers at the closing: (i) a certificate that, to the knowledge of such officer, the Official Statement does not, at the date of closing, and did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the continuing disclosure obligations of the City under applicable law, as approved by the Finance Officer. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Finance Officer shall also execute and deliver to the Purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Bonds. The Finance Officer shall also execute and deliver a tax certificate meeting the requirements of the arbitrage regulations under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Bonds under present laws and rulings.

## Section 5. Payment; Security; Pledges, and Covenants.

5.01. Debt Service Account. The Bonds shall be payable from the debt service account for the Bonds (the "Debt Service Account") established as part of the City's Debt Service Fund and the following are hereby pledged to the Debt Service Account: (a) revenues of the Park Board; and (b) the proceeds of ad valorem taxes levied herein. If a payment of principal or interest on the Bonds becomes due when there is not sufficient money in the Debt Service Account to pay the same, the Finance Officer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the Park Board revenues or proceeds of the taxes levied by this resolution, when collected. Except as otherwise determined by the Finance Officer in his discretion, there is appropriated to the Debt Service Account a pro rata portion of: (i) interest to be financed with proceeds of the Bonds, if any, (ii) any amount over the minimum purchase price of the Bonds, if any, paid by the

Purchasers, and (iii) the accrued interest, if any, paid by the Purchasers upon closing and delivery of the Bonds.

5.02. Deposit to Funds and Accounts. The proceeds of the Bonds, less the appropriations made in Section 5.01, together with any other funds appropriated for the improvements and assessments collected during the construction of the municipal improvements will be deposited in separate funds or accounts to be used solely to defray expenses of the municipal improvements including the payment of principal and interest on the Bonds prior to the completion and payment of all costs of any municipal improvement. Any balance remaining in any fund or account after completion of any municipal improvements may be used to pay the cost, in whole or in part, of any other local improvement undertaken by the Park Board. When the municipal improvements are completed and the costs thereof paid, the funds and accounts are to be closed.

5.03. Ad Valorem Tax Levy. For the purpose of paying the principal of and interest on the Bonds, the Finance Officer is hereby authorized to levy a direct annual irrepealable ad valorem tax upon all of the taxable property in the City, to be spread upon the tax rolls and collected with and as part of other general taxes of the City to the extent the Finance Officer determines such levy is necessary to pay the principal of and interest on the Bonds when due. Any tax levy so imposed will be irrepealable until the Bonds are paid, provided that the Finance Officer may reduce the tax levy in accordance with the provisions of Section 475.61 of the Municipal Debt Act. The tax revenues derived from the levy of such ad valorem taxes will be credited to the Debt Service Account.

5.04. Adequacy of Revenues. It is determined that the estimated collection of the foregoing taxes, together with the revenues derived from the operation of the facilities of the Park Board, will produce at least five percent (5%) in excess of the amount needed to meet when due, the principal and interest payments on the Bonds. If necessary, however, the City shall levy a direct tax on all taxable property in the City, without limitation as to rate or amount, to pay such principal and interest when due.

## Section 6. Miscellaneous Matters Relating to the Bonds.

6.01. Registration. The Executive Secretary is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed with the Director of the Taxpayer Services Department of Hennepin County, exercising the powers of the County Auditor under Section 475.63 of the Municipal Debt Act, and to obtain a certificate as to registration of the Bonds.

6.02. Enforceability of Bonds. All agreements, covenants, and obligations of the City contained in this Resolution and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this Resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council or the Board, or of any officer,

employee, or agent of the City in that person's individual capacity. Neither the members of the City Council, the Board, nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

6.03. Rights Conferred. Nothing in this Resolution or in the above-referenced documents is intended or shall be constructed to confer upon any person (other than as provided in the Bonds and the other agreements, instruments, and documents hereby approved) any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.

6.04. Persons Authorized to Execute Documents. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall be unavailable to execute such certificates, instruments, or other written documents for any reason, such certificates, instruments, or other written documents may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to sign such document.

6.05. Amendments. The authority to approve, execute, and deliver future amendments to the documents executed and delivered by the City in connection with the transactions contemplated by this Resolution is hereby delegated to the Finance Officer, subject to the following conditions: (a) such amendments do not require the consent of the holders of the Bonds or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the City as the issuer of the Bonds; (c) such amendments do not contravene or violate any policy of the City; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel, or other counsel retained by the City to review such amendments; and (e) such amendments do not materially prejudice the interests of the owners of the Bonds, or the owners of the Bonds adversely affected by any such amendment have consented to such amendment. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Finance Officer shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Finance Officer, any instrument authorized by this paragraph to be executed and delivered by the Finance Officer may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to execute and deliver such document.

6.06. Effective Date. This Resolution shall take effect and be in force from and after its approval.

Adopted: September 11, 2013.

---

Carol Becker  
President  
Board of Estimate and Taxation

Attest:

---

Jack A. Qvale  
Executive Secretary



**EXHIBIT A**  
**FORM OF BOND**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN

No. R-\_\_\_\_\_

\$\_\_\_\_\_

CITY OF MINNEAPOLIS  
**TAXABLE GENERAL OBLIGATION VARIOUS PURPOSE PARK BONDS**  
**SERIES 2013**

<u>Interest Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	December 1, 20__	_____, 2013	60374Y ____

Registered Owner: Cede & Co.

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Minneapolis, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal amount stated above, on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable \_\_\_\_\_ 1 and \_\_\_\_\_ 1 in each year, commencing \_\_\_\_\_ 1, 20\_\_, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft of the Paying Agent designated under the Resolution described herein or its successor. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on \_\_\_\_\_, 20\_\_, and on any day thereafter to prepay Bonds due on or after \_\_\_\_\_, 20\_\_. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a

maturity are called for redemption, the City will notify The Depository Trust Company (“DTC”) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the Board of Estimate and Taxation on September 11, 2013 (the “Resolution”), for the purpose of providing money to aid in financing the costs of various improvement projects to be undertaken by the Minneapolis Park & Recreation Board pursuant to and in full conformity with the Charter of the City and the Constitution and laws of the State of Minnesota, including, but not limited to Minnesota Statutes, Chapter 475, as amended. The principal hereof and interest hereon are payable primarily from revenues from the operation of the facilities of the Minneapolis Park & Recreation Board and ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions, and things required by the Charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms have been done, do exist, have happened, and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, statutory, or charter limitation of indebtedness.



This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City of Minneapolis, acting by and through its Board of Estimate and Taxation, has caused this Bond to be executed in its name and on its behalf by the facsimile or manual signature of the Finance Officer, Countersigned by the manual or facsimile signature of the President of the Board of Estimate and Taxation, and its official seal to be affixed or imprinted hereon.

**CITY OF MINNEAPOLIS**

(SEAL)

By \_\_\_\_\_  
Finance Officer

Countersigned by \_\_\_\_\_  
President of Board of Estimate and Taxation

(The remainder of this page is intentionally left blank)

### **Registrar's Registration and Authentication Certificate**

This is one of the Bonds described in the within-mentioned Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

---

Finance Officer, as Registrar

Dated: \_\_\_\_\_

(The remainder of this page is intentionally left blank.)

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Insert Social Security Number or  
Other Identifying Number of Assignee.

\_\_\_\_\_  
Notice: The signature to this assignment must  
correspond with the name as it appears on the  
face of this Bond in every particular, without  
alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
Signatures must be guaranteed by a national  
bank or trust company, or by a brokerage  
firm which is a member of a major stock  
exchange.

(The remainder of this page is intentionally left blank.)

The secretary reviewed the proposed Tax Exempt \$18,500,000 General Obligation Library Referendum Refunding Bonds and the following related items:

- A. MN Session Laws of 2013 Chapter 143 Article 2 section 21.
- B. City Council request resolution 2012R-426 of August 3, 2012

Wheeler moved the resolution ( below ) , seconded by Fine. Following questions and discussion the motion was adopted. Yeas – 5. Nays – none. As follows; Yeas – Fine, Hodges, Johnson, Wheeler, Becker - 5. Nays – none.

**AUTHORIZING THE SALE AND ISSUANCE OF GENERAL OBLIGATION LIBRARY REFUNDING BONDS, SERIES 2013, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$18,500,000; AND PROVIDING THE FORMS, TERMS, AND FINDINGS, COVENANTS, AND DIRECTIONS RELATING TO THE ISSUANCE OF SUCH OBLIGATIONS**

BE IT RESOLVED By the Board of Estimate and Taxation (the “Board”) of the City of Minneapolis, Minnesota (the “City”) as follows:

Section 1. Background and Authority.

1.01 Library Referendum Bonds. At the general election held on November 7, 2000, the voters of the City approved a ballot question authorizing the issuance of general obligation bonds of the City to finance public library improvements, including the construction of a new Central Library and the construction of improvements to the Community Libraries of the City. The referendum authorized the issuance of up to \$110,000,000 of general obligation bonds to finance the new Central Library and up to \$30,000,000 of general obligations bonds to finance improvements to the Community Libraries. The City has previously issued the general obligation bonds described below to finance or refinance improvements to the Minneapolis central library and community libraries.

1.02. Series 2005 Bonds. Under the terms of Resolution No. 2002R-400, adopted by the City Council of the City on October 25, 2002, and approved by the Mayor on October 29, 2002, the City Council of the City requested that the Board of Estimate and Taxation incur indebtedness and issue and sell general obligation bonds of the City in the amount of up to \$110,000,000 for the design and construction of the new Central Library. Under the terms of Resolution No. 2004R-587, adopted by the City Council of the City on December 13, 2004, and approved by the Mayor on December 15, 2004, the City Council of the City requested that the Board of Estimate and Taxation incur indebtedness and issue and sell general obligation bonds of the City, the proceeds of which would be applied to the design and construction of capital improvements to community libraries, including the North Regional Library. On June 30, 2005, the City issued its General Obligation Library Bonds, Series 2005 (the “Series 2005 Bonds,” or the “Refunded Bonds”), in the original aggregate principal amount of \$29,915,000, of which \$20,725,000 is currently outstanding. A portion of the proceeds of the Series 2005 Bonds in the

amount of \$28,390,000 was applied to the financing of the Central Library. A portion of the proceeds of the Series 2005 Bonds in the amount of \$1,525,000 was applied to the financing of the North Regional Library.

1.03. Redemption of Refunded Bonds. The Refunded Bonds are subject to optional redemption and prepayment, in whole or in part, on December 1, 2013, and any day thereafter, upon not less than thirty (30) days notice, at a redemption price equal to one hundred percent (100%) of the principal amount of the Refunded Bonds to be redeemed and prepaid plus accrued interest to the date of redemption. Under the terms of Resolution No. 2012R-426, adopted by the City Council of the City on August 3, 2012, the City Council of the City requested that the Board of Estimate and Taxation incur indebtedness and issue and sell general obligation bonds of the City to refund certain currently outstanding general obligation bonds of the City including the Refunded Bonds. To provide for the redemption and prepayment of all of the outstanding Refunded Bonds, the City is proposing to issue its General Obligation Library Refunding Bonds, Series 2013 (the "Bonds") in an aggregate principal amount not to exceed \$18,500,000, and apply the net proceeds derived from the sale of the Bonds, plus cash funds of the City, to the current refunding of the Refunded Bonds within ninety (90) days of the date of issuance of the Bonds.

1.04. Authority. The City is authorized to issue the Bonds to redeem and prepay the Refunded Bonds in accordance with the provisions of Minnesota Statutes, Chapter 475, as amended (the "Municipal Debt Act") and, in particular, Section 475.67 of the Municipal Debt Act.

Section 2. Issuance of Bonds. The Bonds are hereby authorized to be issued in the original aggregate principal amount of \$18,500,000 and the proceeds derived from the sale of the Bonds are hereby directed and authorized to be applied to the redemption and prepayment of the Refunded Bonds and to related costs.

Section 3. Terms and Form of Bonds.

3.01. Bond Terms. The Bonds are authorized to be issued in accordance with the terms of this Resolution. The Bonds shall be issued as fixed-rate, tax-exempt, general obligation bonds, and shall be issued in one or more series as the Executive Secretary of the Board (the "Executive Secretary"), in consultation with the Finance Officer of the City (the "Finance Officer"), shall determine. The Bonds shall be designated "General Obligation Library Refunding Bonds, Series 2013" and, if issued in more than one series, shall be assigned a separate series designation determined by the Executive Secretary for each series issued by the City. Any series of Bonds may be designated such other name or names as determined to be appropriate by the Executive Secretary. The Bonds shall be dated on or after October 22, 2013, or such other date as the Executive Secretary may determine, shall be issued in denominations of \$5,000 or any integral multiple thereof, and shall be numbered from R-1 upwards in order of issuance, or with such other numbering and in such other order as the Bond Registrar (as hereinafter defined) may determine. The Bonds shall be issued in the original aggregate principal amount of \$18,500,000, or such lesser amount as the Executive Secretary shall determine to be necessary and appropriate to redeem and prepay the Refunded Bonds. The Bonds shall bear interest at the rates per annum approved by the Executive Secretary in

connection with the sale thereof, payable semiannually on June 1 and December 1 of each year, or such other dates determined by the Executive Secretary, commencing on June 1, 2014, or such other date determined by the Executive Secretary, from the date of the Bonds or the most recent interest payment date to which interest has been paid or duly provided for, computed on the basis of a 360-day year of twelve thirty-day months. The principal of the Bonds shall mature on such dates and in such principal amounts as shall be determined by the Executive Secretary and the Finance Officer, consistent with the requirements of Section 475.54, subdivisions 1 and 17, of the Municipal Debt Act (determined, if necessary, by combining such maturities with those of other obligations of the City). The Executive Secretary may determine to designate any portion of the principal of the Bonds to be combined into one or more term Bonds subject to mandatory sinking fund redemptions in the years and amounts determined by the Executive Secretary. The authorization to issue the Bonds is effective without any additional action by the City Council or the Board and shall be undertaken by the Executive Secretary on such date or dates and upon the terms and conditions deemed reasonable by the Executive Secretary.

The Bonds are not subject to redemption and prior payment, in whole or in part.

3.02. Method of Payment; Bond Registrar and Paying Agent. The Bonds shall be payable as to principal upon presentation and surrender thereof at the office of the Finance Officer, in Minneapolis, Minnesota, as the initial bond registrar (the "Bond Registrar") and paying agent (the "Paying Agent"), or at the offices of such other successor bond registrar and paying agent as the City may hereafter designate upon sixty (60) days mailed notice to the registered owners at their respective registered addresses. At the written request of the registered owner thereof, or at the direction of the Finance Officer, the payment of at least \$100,000 in principal amount of Bonds shall be made by wire transfer of immediately available funds to any bank in the continental United States upon presentation and surrender of such Bonds at the office of the Paying Agent. Interest shall be paid by check or draft mailed to the registered owners of record as of the fifteenth day (whether or not a business day) of the month next preceding the applicable interest payment date at their addresses shown on the registration books or, at the written request of a registered owner of at least \$1,000,000 in aggregate principal amount of Bonds or at the direction of the Finance Officer, by wire transfer of immediately available funds to any bank in the continental United States as the registered owner may specify.

3.03. Bond Form. The Bonds shall be prepared in substantially the form set forth in EXHIBIT A attached hereto, with necessary variations as to name, series designation, number, CUSIP Number, denomination, rate of interest, and date of maturity, the blanks therein to be properly filled in, and with such other additions, deletions, or other changes as the Finance Officer may determine.

3.04. Registration. As long as any of the Bonds issued hereunder shall remain outstanding, the City shall maintain and keep at the office of the Bond Registrar records as to the payment of the principal of and interest on such Bonds, as in this Resolution provided, and for the registration and transfer of such Bonds, and shall also keep at said office of the Bond Registrar books for such registration and transfer. Upon surrender for transfer of any Bond at the office of a Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the registered owner's duly authorized

attorney, and upon payment of any tax, fee, or other governmental charge required to be paid with respect to such transfer, the City shall execute and the Bond Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more fully registered Bonds of the same series, of any authorized denominations, and of a like aggregate principal amount, interest rate, and maturity. Any Bonds, upon surrender thereof at the office of the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate of any authorized denominations. In all cases in which the privilege of exchanging Bonds or transferring fully-registered Bonds is exercised, the City shall execute and the Bond Registrar shall deliver Bonds in accordance with the provisions of this Resolution. For every such exchange or transfer of Bonds, whether temporary or definitive, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the City or the Bond Registrar incurred in connection therewith (except any applicable tax, fee, or other governmental charge) shall be paid by the City. The City and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption, nor be obligated to make any such exchange or transfer of Bonds during the fifteen (15) days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of Bonds.

3.05. Record Dates. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the person in whose name that Bond (or one or more Bonds for which such bond was exchanged) is registered at the close of business on the fifteenth day of the preceding month. Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any interest payment date shall cease to be payable to the registered holder on the relevant regular record date solely by virtue of such holder having been such holder; and such defaulted interest may be paid by the City in any lawful manner if, after notice given by the City to the Bond Registrar of the proposed payment in accordance with this paragraph, such payment shall be deemed practicable by the Bond Registrar. Such payments shall then be made to the persons in whose names the Bonds are registered at the close of business on a special record date established by the Bond Registrar. Subject to the foregoing provisions of this paragraph, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange, or substitution.

3.06. Bonds Mutilated, Destroyed, Stolen, or Lost. In case any Bond shall become mutilated or be destroyed, stolen, or lost, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen, or lost, upon filing with the City evidence satisfactory to the City and the Bond



Registrar that such Bond has been destroyed, stolen, or lost and proof of ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City and the Bond Registrar may prescribe and paying such expenses as the City and the Bond Registrar may incur in connection therewith. All Bonds so surrendered to the Bond Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City.

3.07. Owners. As to any Bond, the City and the Bond Registrar and their respective successors, each in its discretion, may deem and treat the person in whose name such Bond for the time being shall be registered as the absolute owner thereof for all purposes and neither the City nor the Bond Registrar nor their respective successors shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3.08. Use of Securities Depository; Book-Entry Only System. The provisions of this Section 3.08 shall take precedence over the provisions of Sections 3.01 through 3.07 hereof to the extent they are inconsistent therewith.

**(a) The Depository Trust Company (“DTC”) has agreed to act as securities depository for the Bonds, and to provide a Book-Entry Only System for registering the ownership interests of the financial institutions for which it holds the Bonds (the “DTC Participants”), and for distributing to such DTC Participants such amount of the principal and interest payments on the Bonds as they are entitled to receive for redistribution to the beneficial owners of the Bonds as reflected in their records (the “Beneficial Owners”).**

(b) Initially, and so long as DTC or another qualified entity continues to act as securities depository, the Bonds shall be issued in typewritten form, one for each maturity in a principal amount equal to the aggregate principal amount of each maturity, shall be registered in the name of the securities depository or its nominee, and shall be subject to the provisions of this Section 3.08. While DTC is acting as the securities depository, the Bonds shall be registered in the name of DTC’s nominee, CEDE & CO; provided that upon delivery by DTC to the City and the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words “CEDE & CO.” in this Resolution shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of DTC or its nominee, the City and the Bond Registrar shall have no responsibility or obligation to any DTC Participant or other person with respect to the following: (i) the accuracy of the records of any securities depository or its nominee with respect to any ownership interest in the Bonds; (ii) the delivery to any DTC Participant or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any DTC Participant or any other person, other than DTC, of any amount with respect to the principal of or interest on the Bonds. The Paying Agent shall pay all principal of and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal and interest on the Bonds to the extent of the sum or

sums so paid. So long as the Book-Entry Only System described in this Section 3.08 is in effect, no person other than DTC shall receive an authenticated Bond.

(c) Upon receipt by the City of written notice from DTC or any other securities depository to the effect that it is unable or unwilling to discharge its responsibilities under the Book-Entry Only System, the City and the Bond Registrar shall issue, transfer, and exchange Bonds of the initial series as requested by the securities depository in appropriate amounts, and whenever the securities depository requests the City and the Bond Registrar to do so, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice: (i) to arrange for a substitute depository willing and able, upon reasonable and customary terms, to maintain custody of the Bonds; or (ii) to make available Bonds registered in whatever name or names the Beneficial Owner registering ownership, transferring or exchanging such Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(d) In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain printed Bonds, the City may so notify the securities depository and the Bond Registrar, whereupon the securities depository shall notify the Beneficial Owners of the availability through the securities depository of such printed Bonds. In such event, the City shall cause to be prepared and the Bond Registrar shall issue, transfer, and exchange printed Bonds, fully executed and authenticated, as requested by the securities depository in appropriate amounts and, whenever the securities depository requests, the City and the Bond Registrar shall cooperate with the securities depository in taking appropriate action after reasonable notice to make available printed Bonds registered on the Bond Register in whatever name or names the Beneficial Owners entitled to receive Bonds shall designate, in accordance with clause (f) or clause (g) below, whichever is applicable.

(e) Notwithstanding any other provisions of this Resolution to the contrary, so long as any Bond is registered in the name of a securities depository or its nominee, all payments of principal and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively, to the securities depository as provided in the representation letter given to it by the City. The Blanket Letter of Representations from the City to DTC is confirmed and shall apply to the Bonds.

(f) In the event that the Book-Entry Only System established under this Section 3.08 is discontinued, except as provided in clause (g), the Bonds shall be issued through the securities depository to the Beneficial Owners.

(g) In the event of termination of the Book-Entry Only System, the City shall have the right to terminate, and shall take all steps necessary to terminate, all arrangements with the securities depository described herein, and thereafter shall issue, register ownership of, transfer, and exchange all Bonds as provided herein. Upon receipt by the securities depository of notice from the City, the securities depository shall take all actions necessary to assist the City and the Bond Registrar in terminating all arrangements for the issuance of documents evidencing ownership interests in the Bonds through the securities depository. Nothing herein shall affect the securities depository's rights under clause (e) above.

#### Section 4. Sale, Execution, and Delivery of Bonds and Related Documents.

4.01. Method of Sale. Authority to negotiate the sale and issuance of the Bonds is hereby delegated to the Executive Secretary, in consultation with the Finance Officer, under Section 475.60, subdivision 1, of the Municipal Debt Act; provided that each series of Bonds shall be sold only within the price parameters and in accordance with such other terms as are set forth in the "Official Terms of Proposal" on file with the Executive Secretary and incorporated into the official statement prepared with respect to the offer and sale of the Bonds (the "Official Statement"). Competitive proposals for the sale of the Bonds will be considered by the Executive Secretary, on behalf of the Board, on the date specified in the Official Terms of Proposal in accordance with, and within the parameters established by, the Official Terms of Proposal. The Bonds shall bear interest at the rates specified by the successful proposal. In connection with the sale of the Bonds, by one or more certificates or other written instruments or documents, the Finance Officer may make such additional covenants or representations as he may deem necessary and expedient, including but not limited to, approval of the Official Statement and of a Continuing Disclosure Certificate to be prepared in connection with the issuance of the Bonds. Any original issue premium, unused discount, and unused issuance costs shall be deposited in the Debt Service Account (as hereinafter established) or applied to such other purposes as determined to be appropriate by the Finance Officer.

4.02. Execution and Delivery. The Bonds shall be executed by the manual or facsimile signature of the Finance Officer, and the President of the Board, and a facsimile of the corporate seal of the City shall be included as set forth in the form of Bond. The text of the approving legal opinion of Kennedy & Graven, Chartered, of Minneapolis, Minnesota, as bond counsel, shall accompany the delivery of each Bond. When the Bonds have been duly executed and authenticated by the Bond Registrar in accordance with this Resolution, the Bonds shall be delivered to the purchasers in accordance with the terms of the sale upon payment of the purchase price, and the receipt of the Finance Officer to said purchasers thereof shall be a full acquittance; and said purchasers shall not be bound to see to the application of the purchase money. The Bonds shall not be valid for any purpose until authenticated by the Bond Registrar, who is hereby appointed authenticating agent in accordance with applicable provisions of the Municipal Debt Act.

4.03. Official Statement. The Executive Secretary shall cause the Official Statement relating to the Bonds and any appropriate addendums to such Official Statement to be prepared (collectively, the "Final Official Statement"), and the use thereof by the purchasers is approved.

4.04. Certificates. If such officer finds the same to be accurate, the Finance Officer is authorized and directed to furnish to the purchasers at the closing: (i) a certificate that, to the knowledge of such officer, the Final Official Statement does not, at the date of closing, and the Official Statement did not, as of its date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (ii) such other certificates as are required as a condition of sale, including a Continuing Disclosure Certificate setting forth the continuing disclosure obligations of the City under applicable law, as approved by the Finance

Officer. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or the incumbency of its officers, at the closing the Finance Officer shall also execute and deliver to the purchasers a suitable certificate as to absence of material litigation, and the Finance Officer shall also execute and deliver a certificate as to payment for and delivery of the Bonds. The Finance Officer shall also execute and deliver a tax certificate meeting the requirements of the arbitrage regulations under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and shall deliver the signed approving legal opinion of Kennedy & Graven, Chartered, as to the validity and enforceability of the Bonds and the exemption of interest thereon from federal and State of Minnesota income taxation (other than State of Minnesota franchise taxes on corporations measured by income) under present laws and rulings.

Section 5.     Refunding; Application of Proceeds of Bonds.

5.01.   Redemption and Prepayment of Refunded Bonds. All of the Refunded Bonds are hereby called for redemption and prepayment on a date selected by the Finance Officer, but in no event more than ninety (90) days after the date of issuance of the Bonds.

5.02.   Appropriation of Funds. Except as otherwise determined by the Finance Officer in his discretion, the proceeds of the Bonds are hereby appropriated as follows: (i) accrued interest, if any, shall be deposited in the Debt Service Account; (ii) an amount determined by the Finance Officer to pay interest on the Bonds, if any, shall be set aside and applied to such purpose; (iii) an amount sufficient to redeem and prepay the Refunded Bonds to be financed with the Bonds shall be applied to such purpose; and (iv) an amount determined by the Finance Officer sufficient to pay the costs of issuing the Bonds, if any, shall be set aside and applied to such purpose. Any remaining proceeds of the Bonds shall be applied to such purposes of the City as determined and designated by the Finance Officer.

Section 6.     Payment; Security; Pledges and Covenants.

6.01.   Pledge of Full Faith and Credit and Tax Levy. The full faith and credit of the City are irrevocably pledged to the timely and full payment of the principal of and interest on the Bonds when due. For the purposes of providing for the payment of principal of and interest on the Bonds when and as the same become due and for the collection of an additional amount not less than five percent (5%) of such principal and interest, in addition to all other taxes, the Finance Officer is hereby authorized to impose a direct ad valorem tax levy against the referendum market value (as defined in Minnesota Statutes, Section 126C.01, subdivision 3) of all taxable property in the City in the years and amounts necessary to provide for timely payment of the principal of and interest on the Bonds. The Finance Officer shall impose the tax levy in amounts such that such taxes, if collected in full, will produce amounts at least five percent (5%) in excess of the amounts needed to pay the principal of and interest on the Bonds when due, but the City shall levy additional taxes, without limitation as to rate or amount, if necessary to pay the principal of and interest on the Bonds when due. Any ad valorem tax levies shall be irrevocable except to the extent authorized to be reduced by the terms of Section 475.61 of the Municipal Debt Act.

6.02. Series 2013 Bonds Debt Service Account and Redemption Account for Refunded Bonds.

(a) The Bonds will be payable from the debt service account for the Bonds (the “Series 2013 Bonds Debt Service Account”) established as part of the City’s Debt Service Fund. The proceeds of tax levies described in Section 6.01 hereof are hereby pledged to the Series 2013 Bonds Debt Service Account of the Debt Service Fund (subject to any pledge of such tax levies to bonds issued on a parity basis with the Bonds, including bonds previously issued or bonds hereafter issued). If a payment of principal or interest on the Bonds becomes due when there is not sufficient money in the Series 2013 Bonds Debt Service Account to pay the same, the Finance Officer will pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for those advances out of the proceeds of the tax levies, when collected. Except as otherwise determined by the Finance Officer in his discretion, there is appropriated to the Series 2013 Bonds Debt Service Account a pro rata portion of: (i) capitalized interest financed from Bond proceeds, if any, (ii) any amount over the minimum purchase price of the Bonds, if any, paid by the purchaser of the Bonds (the “Purchaser”) if such appropriation is determined to be appropriate by the Finance Officer in accordance with Section 4.01 hereof, and (iii) the accrued interest, if any, paid by the Purchaser upon closing and delivery of the Bonds.

(b) The proceeds of the Bonds, less the appropriations made in paragraph (a), if any, will be deposited in a separate fund or account to be used solely to redeem and prepay the Refunded Bonds. When the redemption and prepayment of the Refunded Bonds is complete, the fund or account is to be closed and any remaining balance shall be deposited in the Series 2013 Bonds Debt Service Account.

Section 7. Tax Covenants. The Bonds are issued as general obligation bonds the interest on which is not includable in gross income for federal income tax purposes and, to the same extent, is not includable in taxable net income for State of Minnesota income tax purposes. The City hereby makes the following representations in this Section 7 with respect to the Bonds.

7.01. Tax-Exempt Bonds. No action shall be taken or authorized to be taken in connection with the application or investment of the proceeds of the Bonds which would cause the Bonds to be or become “private activity bonds” within the meaning of Section 141 of the Code and the applicable Treasury Regulations promulgated thereunder unless a “remedial action,” within the meaning of Treasury Regulations, Section 1.141-12, is available and is authorized to be taken for and on behalf of the City. The City shall take all such actions as may be required under the Code and applicable Treasury Regulations to ensure that interest on the Bonds is not includable in gross income for federal income tax purposes.

7.02. Not Arbitrage Bonds. The investments of the proceeds of the Bonds, including the investments of any revenues pledged to the Bonds which are considered proceeds under Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder, and accumulated sinking funds, if any, shall be limited as to amount and yield in such manner that the Bonds shall not be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. On the basis of the

existing facts, estimates, and circumstances, including the foregoing findings and covenants, it is not expected that the proceeds of the Bonds will be used in such manner as to cause the Bonds to be or become “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder. The Finance Officer shall furnish a certificate to the Purchaser based on the foregoing certification at the time of delivery of the Bonds and the Finance Officer may make any election permitted under Section 148 or Section 150 of the Code on behalf of the City.

Section 8.     Miscellaneous Matters Relating to Bonds.

8.01.   Registration. The Executive Secretary is hereby authorized and directed to certify a copy of this Resolution and to cause the same to be filed, together with a certificate of the Finance Officer establishing the tax levy described in Section 6.01 hereof, with the Director of the Taxpayer Services Department of Hennepin County, exercising the powers of the County Auditor under Section 475.63 of the Municipal Debt Act, and to obtain a certificate as to registration of the Bonds.

8.02.   Enforceability of Bonds. All agreements, covenants, and obligations of the City contained in this Resolution and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this Resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council or any member of the Board, or of any officer, employee, or agent of the City in that person’s individual capacity. Neither the members of the City Council, the members of the Board, nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

8.03.   Rights Conferred. Nothing in this Resolution or in the above-referenced documents is intended or shall be construed to confer upon any person (other than as provided in the Bonds and the other agreements, instruments, and documents hereby approved) any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.

8.04.   Persons Authorized to Execute Documents. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Finance Officer or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City shall be unavailable to execute such certificates, instruments, or other written documents for any reason, such certificates, instruments, or other written documents may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to sign such document.

8.05. Amendments. The authority to approve, execute, and deliver future amendments to the documents executed and delivered by the City in connection with the transactions contemplated by this Resolution is hereby delegated to the Finance Officer, subject to the following conditions: (a) such amendments do not require the consent of the holders of the Bonds or, if required, such consent has been obtained; (b) such amendments do not materially adversely affect the interests of the City as the issuer of the Bonds; (c) such amendments do not contravene or violate any policy of the City; (d) such amendments are acceptable in form and substance to the City Attorney, bond counsel, or other counsel retained by the City to review such amendments; (e) the City has received, if necessary, an opinion of bond counsel to the effect that the amendments will not adversely affect the tax-exempt character of interest on the Bonds (if the Bonds are then tax-exempt obligations); and (f) such amendments do not materially prejudice the interests of the owners of the Bonds, or the owners of the Bonds adversely affected by any such amendment have consented to such amendment. The authorization hereby given shall be further construed as authorization for the execution and delivery of such certificates and related items as may be required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Finance Officer shall be conclusive evidence of the approval of such instruments in accordance with the terms hereof. In the absence of the Finance Officer, any instrument authorized by this paragraph to be executed and delivered by the Finance Officer may be executed by such other officer of the City as in the opinion of the City Attorney is authorized to execute and deliver such document.

8.06. Effective Date. This Resolution shall take effect and be in force from and after its approval.

Adopted: September 11, 2013.

---

Carol Becker  
President  
Board of Estimate and Taxation

Attest:

---

Jack A. Qvale  
Executive Secretary

## EXHIBIT A

### FORM OF BOND

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN

No. R-\_\_\_\_\_

\$\_\_\_\_\_

CITY OF MINNEAPOLIS

#### GENERAL OBLIGATION LIBRARY REFUNDING BONDS SERIES 2013

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	December 1, 201__	_____, 2013	60374Y ____

Registered Owner: Cede & Co.

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Minneapolis, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal amount stated above, on the maturity date specified above, with interest thereon from the date hereof at the interest rate per annum specified above, payable June 1 and December 1 in each year, commencing June 1, 2014, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft of the Paying Agent designated under the Resolution described herein or its successor. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The Bonds are not subject to redemption and prior payment, in whole or in part.

This Bond is one of an issue in the aggregate principal amount of \$18,500,000, all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued under the terms of a resolution adopted by the Board of Estimate and Taxation on September 11, 2013 (the "Resolution"), for the purpose of providing money to refund the outstanding principal amount of certain general obligation bonds of the City, in full conformity with the home rule charter of the City and the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 475.67, as amended. The principal hereof and interest hereon are payable from a tax levy, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged



for payment of this Bond and the City has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee, or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions, and things required by the Charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened, and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, statutory, or charter limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City of Minneapolis, acting by and through its Board of Estimate and Taxation, has caused this Bond to be executed in its name and on its behalf by the facsimile or manual signature of the Finance Officer, countersigned by the manual or facsimile signature of the President of the Board of Estimate and Taxation, and its official seal to be affixed or imprinted hereon.

**CITY OF MINNEAPOLIS**

(SEAL)

By \_\_\_\_\_  
Finance Officer

Countersigned by \_\_\_\_\_  
President of Board of Estimate and Taxation

(The remainder of this page is intentionally left blank)

## **Bond Registrar's Registration and Authentication Certificate**

This is one of the Bonds described in the within-mentioned Bond Resolution and has been registered as to principal and interest in the name of the Registered Owner identified above on the registration books of the Finance Officer of the City of Minneapolis.

---

Finance Officer, as Bond Registrar

Dated: \_\_\_\_\_

(The remainder of this page is intentionally left blank.)

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto\_\_\_\_\_

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Please Insert Social Security Number or  
Other Identifying Number of Assignee.

\_\_\_\_\_  
Notice: The signature to this assignment must  
correspond with the name as it appears on the  
face of this Bond in every particular, without  
alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
Signatures must be guaranteed by a national bank or trust  
company, or by a brokerage firm which is a member of a  
major stock exchange.

(The remainder of this page is intentionally left blank.)

As updated information as to the proposed maximum Tax levies for pay 2014 the secretary reviewed the following with the Board:

- A. Tax and Market valuation data
- B. Estimated City Property Tax data

Of the 55,203 residential homestead parcels in the data grouping ( which are parcels over the last four years with no change in classification & no permitted improvements that would change the market value ) , for taxes payable in 2012 the January 2, 2011 valuations are used.

4,137 parcels or 3.4% of the parcels will have a CITY tax decrease of at least 15%

11,986 parcels or 22.8% of the parcels will have a CITY tax decrease of at least 10%

18,313 parcels or 34.8% of the parcels will have a CITY tax decrease of at least 7.5%

25,791 parcels or 49.0% of the parcels will have a CITY tax decrease of at least 5%

32,975 parcels or 62.6% of the parcels will have a CITY tax decrease of at least 2.5%

**36,794 or 69.8% of the parcels will have a CITY tax decrease**

47 parcels or 0.09% of the parcels will have a CITY tax increase between 0% to 1.25%

14,321 parcels or 27.2% of the parcels will have a CITY tax increase between 1.25 % to 1.50%

**This makes up 51,162 of the data sample or 97.1%**

1,531 parcels or 2.9% of the parcels will have a CITY tax increase over 1.50%.

Consideration of setting of the maximum tax levies payable in 2014 with regards to the The Charter and Truth in Taxation compliance was before the Board.

After discussion Johnson moved the resolutions consistent with the Mayor's August Budget address ( see resolutions ). Motion seconded by Wheeler. The motion was adopted. Yeas – 4, Nays – 1, as follows; Yeas – Hodges, Johnson, Wheeler, Becker, – 4; Nays – Fine.

**TRUTH IN TAXATION RESOLUTION: By Johnson seconded by Wheeler for a negative 1.00% Total Levy Change**

**ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:**

That, pursuant to truth in taxation legislation of the State of Minnesota, the Board of Estimate & Taxation does hereby fix and determine the maximum certified tax levies for property taxes payable in 2014 for various funds, from general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 325,238,178 plus a fiscal disparities distribution dollar estimated at \$ 36,403,707 such maximum amounts and maximum net tax capacity rates being as follows:

<b><u>Truth in Taxation pay 2014 Levy Item</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>*Net Tax Rate in %</u></b>
Minneapolis City* (excluding the Park & Recreation Board )	\$ 219,447,000	58.357
Minneapolis Park & Recreation Board	\$ 49,627,000	13.195

**SPECIAL LEVY SECTION:**

Chapter 595 ( HRA ) Levy	\$ 1,021,000	0.267
Teachers' Retirement Association	\$ 2,300,000	0.612

**& a Market Value levy for the Library Referendum debt service of \$ 9,300,000.**

\*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That pursuant to the truth in taxation legislation, the following is filed as the maximum certified property tax levies for property taxes payable in 2014:

<b><u>Truth in Taxation pay 2014 Levy Items</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>Fiscal Disparities</u></b>	<b><u>Local Levy</u></b>	<b><u>*Net Tax Rate in %</u></b>
General Fund	\$ 157,103,000	\$21,252,484.14	\$135,850,515.86	41.770
Permanent Improvement Fund	1,000,000	135,276.18	864,723.82	0.266
Bond Redemption Fund	29,300,000	3,963,635.62	25,336,645.78	7.791
Estimate & Taxation Fund	170,000	23,007.14	146,992.86	0.046
Municipal Building Commission**	4,594,000	621,447.68	3,972,562.32	1.222
Fire Relief Association**	2,745,000	371,354.22	2,373,645.78	0.730
Police Relief Association**	6,415,000	867,791.57	5,547,208.43	1.706
Minneapolis Employee Retirement Fund**	18,150,000	2,455,284.42	15,694,715.58	4.826
TOTAL CITY & OTHER	219,477,000	29,690,280.97	189,786,719.03	58.357
Tree Preservation & Reforestation Fund	1,011,000	136,768.73	874,231.27	0.269
Park & Recreation Fund	48,616,000	6,576,657.30	42,039,342.70	12.926
PARK & RECREATION BOARD	\$ 49,627,000	6,713,426.03	42,913,573.973	13.195
	<b>\$ 269,104,000</b>	<b>\$36,403,707.00</b>	<b>\$232,700,293.00</b>	<b>71.552</b>

**AND a market value levy for the Library Referendum debt service of \$ 9,300,000.**

<b><u>Truth in Taxation pay 2014 Special Levy Items</u></b>	<b><u>Total Tax Levy Levy Amount</u></b>	<b><u>Fiscal Disparities</u></b>	<b><u>Local Levy</u></b>	<b><u>*Net Tax Rate in %</u></b>
Chapter 595 ( HRA ) Levy	\$ 1,021,000	\$ 153,851	\$ 867,149	0.267
Teachers' Retirement Association	\$ 2,300,000	\$ 310,623	\$ 1,989,377	0.612

\*\* These funds are not subject under the City Charter to the Board of Estimate & Taxation's jurisdiction with regards to Charter regulated maximum tax levies.

**CHARTER COMPLIANCE RESOLUTION:**

**ACTIONS BY THE BOARD OF ESTIMATE & TAXATION OF THE CITY OF MINNEAPOLIS:**

That, pursuant to Section 2, Chapter XV of the Charter of the City of Minneapolis, the Board of Estimate & Taxation does hereby fix and determine the maximum rates and maximum amounts of money which may be raised by general taxation and may be levied by the City Council, the Public Housing Authority, and the Board of Estimate & Taxation of the City of Minneapolis for the fiscal year 2014 for various funds, the net tax capacity of the property subject to general taxation exclusive of tax-increment and fiscal disparities contribution values being assumed to be \$ 325,238,178 plus a fiscal disparities distribution dollar estimated at \$ 36,403,707 such maximum amounts and maximum net tax capacity rates being as follows:

**TO BE LEVIED BY:**

	<b><u>Total Tax Levy or Levy Amount</u></b>	<b><u>*Net Tax Capacity Rate in %</u></b>
<b><u>BY THE CITY COUNCIL:</u></b>		
General Fund	\$ 157,103,000	41.770
Chapter 595 (HRA ) Levy	\$ 1,021,000	0.267
Permanent Improvement Fund	\$ 1,000,000	0.266

**BY THE BOARD OF ESTIMATE & TAXATION**

Estimate & Taxation Fund	\$ 170,000	0.046
--------------------------	------------	-------

\*Estimated based on the valuations indicated herein; the final rates will be determined by the final valuations, although the maximum dollar amount will remain as shown unless the final valuations change to the extent that the maximum dollars shown would exceed the statutory limit, in which case the maximum dollar amount would be reduced to the statutory limit amount.

That the aggregate of levies certified to the Hennepin County Director of Property Taxation for 2014 for bond redemption and interest is reduced by the application of cash on hand and appropriated by the City Council and the Park and Recreation Board to the following total amount and rate:

<b>Bond Redemption Fund</b>	<b>\$ 29,300,000</b>	<b>7.791</b>
-----------------------------	----------------------	--------------

**& a market value levy for the Library Referendum debt service of \$ 9,300,000.**

That the maximum net tax capacity rates listed above have been calculated on the basis of an assumed net tax capacity of \$ 373,925,152 ( \$405,516,357 less increment financing of \$ 31,130,105, fiscal disparities contribution of \$ 49,148,074, plus a fiscal disparities distribution of \$ 48,686,974 ) and shall be adjusted as necessary to reflect the net tax capacity of taxable property for the City for 2014 as finally certified by the legally designated Hennepin County Director of Property Taxation;

That in the event the maximum tax levy or tax capacity rate stipulated above for any fund is determined to be in excess of the maximum legal tax levy or tax capacity rate for such fund, the maximum legal tax levy or tax capacity rate shall be construed to be the maximum tax levy or tax capacity rate for such fund for the purpose of this resolution;

That in consequence of the passage of various laws, the Board assumes no jurisdiction as to the amounts or rates to be levied for the following funds: Fire Relief Association, Police Relief Association, Municipal Building Commission, and Minneapolis Employees Retirement Association.

**That a copy of this action be certified to the County Director of Property Taxation and The City Council of the City of Minneapolis.**

No additional direction to staff was given at this time.

Johnson moved to adjourn; seconded by Wheeler.

The meeting was adjourned at 4:45 p.m.